

Appendix I

Agency Program Profiles

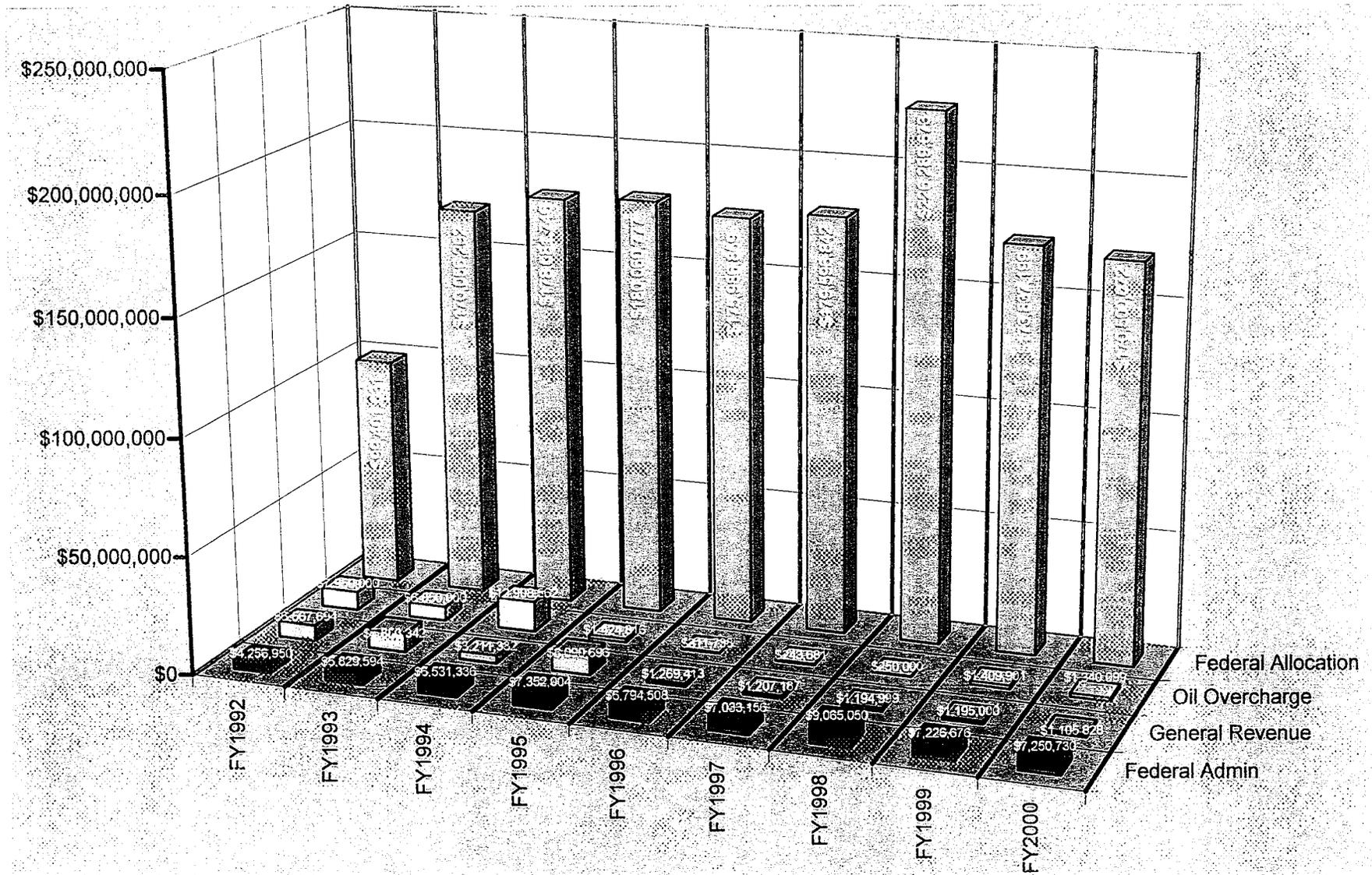
Texas Department of Housing and Community Affairs
Overview of Impact of Devolution
and Other Federal Streamlining Efforts

Programs (Source)	<i>Texas Community Development Program - TCDP (HUD)</i> <i>Community Services Block Grant Program - CSBG (HHS)</i> <i>Emergency Shelter Grant Programs - ESGP (HUD)</i> <i>Community Food and Nutrition Program - CFNP (HHS)</i> <i>Comprehensive Energy Assistance Program - CEAP (HHS)</i> <i>Weatherization Assistance Program - WAP (DOE & HHS)</i> <i>HOME Investment Partnership Program - HOME (HUD)</i> <i>Low Income Housing Tax Credit Program - LIHTC (IRS)</i> <i>Statewide Section 8 Housing Assistance Program - Section 8 (HUD)</i>
Purpose	<ul style="list-style-type: none"> ◆ To assist local governments to provide essential public services for their residents and overcome financial, social and environmental problems. ◆ Provide for the housing needs of very low, low and moderate income families. ◆ Contribute to the preservation, development and redevelopment of neighborhoods and communities. ◆ Assist the governor and the legislature to coordinate federal and state programs affecting local government. ◆ Inform state officials and the public of the needs of local governments.
When Program Started	<p>The Department was created in SFY 1991 by the merger of the Texas Housing Agency and the Texas Department of Community Affairs and the transfer of the Community Development Block Program from the Texas Department of Commerce. Since then other programs have been transferred to the Department, including the responsibility for regulation of the manufactured housing industry.</p>
Major Programmatic Changes in the Program Due to a Shift in Federal Funds	<ul style="list-style-type: none"> ◆ Varies with program. ◆ Some program have experienced increased monitoring and reporting responsibilities. ◆ Generally, devolution has not occurred as envisioned after the 1995 recisions. ◆ Generally, programs are "blocked" to states, which provides flexibility. ◆ Some programs have received additional funding, others have had funding reduced, while others have been eliminated.
What is Texas required to do to access funds?	<ul style="list-style-type: none"> ◆ Generally, submit an annual plan to appropriate authority.
What are some of the barriers to obtaining additional federal funds? (include any state statutory barriers)?	<ul style="list-style-type: none"> ◆ Limited resources on the federal level. ◆ Limited staff and travel budgets. Additional staff and travel are needed if additional funds are obtained from the federal government. (E.g., by application through a Notice of Funding Availability.)
Is there duplication of services, reporting, etc.? If so, with what agencies?	<ul style="list-style-type: none"> ◆ Limited duplication of services. ◆ Reporting required for the State Low Income Housing Plan & Annual Report is duplicative of reporting associated the HUD-Required Consolidated Plan for CDBG, ESG and HOME programs.
Is the program useful? (i.e., does it fit the need of Texas?)	<ul style="list-style-type: none"> ◆ Programs provide housing and community development assistance on a statewide basis. ◆ Federally funded TDHCA programs, particularly CDBG and HOME, are among the few resources available to rural communities.

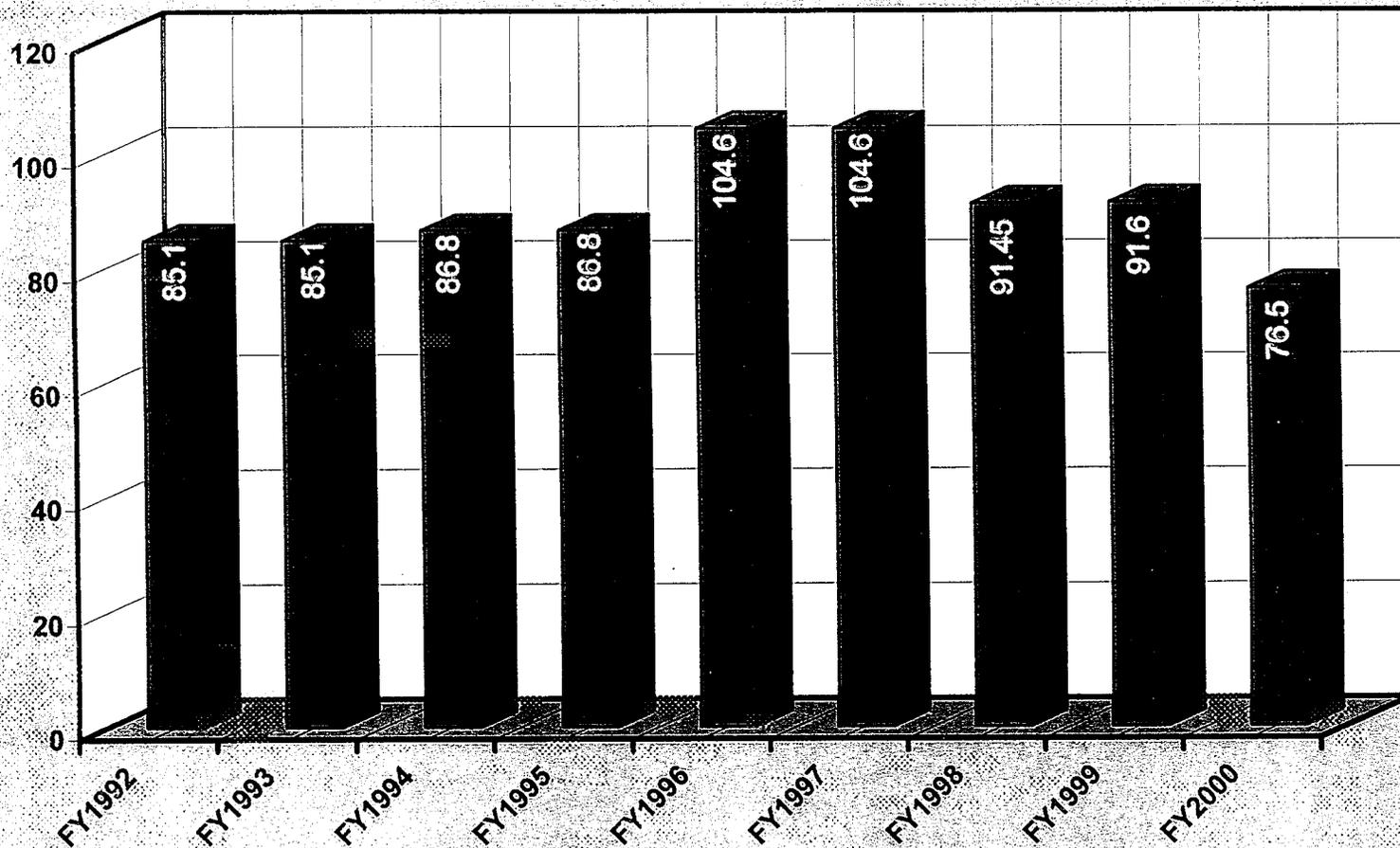
Texas Department of Housing and Community Affairs
Overview of Impact of Devolution
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How will the agency adjust to a total withdrawal of federal funds?	<ul style="list-style-type: none"> ◆ The majority of programs rely entirely on federal funding and would likely cease operations if federal funding were discontinued.
How will the agency adjust to a partial decline in federal dollars?	<ul style="list-style-type: none"> ◆ Reduce services unless alternate funding or service delivery can be determined. ◆ Continue efforts to use and combine funds more effectively to maximize production.
Any suggestions?	<ul style="list-style-type: none"> ◆ Lift the travel and FTE caps. - or provide for a simpler process to adjust the travel cap and FTE cap – at a minimum for Federal programs. ◆ Allow agencies to move funds within budget lines for travel if necessary. ◆ Allow programs to fully utilize the maximum Federal funds available for travel. ◆ Provide increased funding for the Housing Trust Fund.

Texas Department of Housing and Community Affairs
 Federal Allocation and Administration Funds, General Revenue and Oil Overcharge Funds
 FY 1992 - FY 2000



Texas Department of Housing and Community Affairs
Full Time Program Employees
FY 1992 - FY 2000



**Texas Department of Housing and Community Affairs
Weatherization Assistance Program**

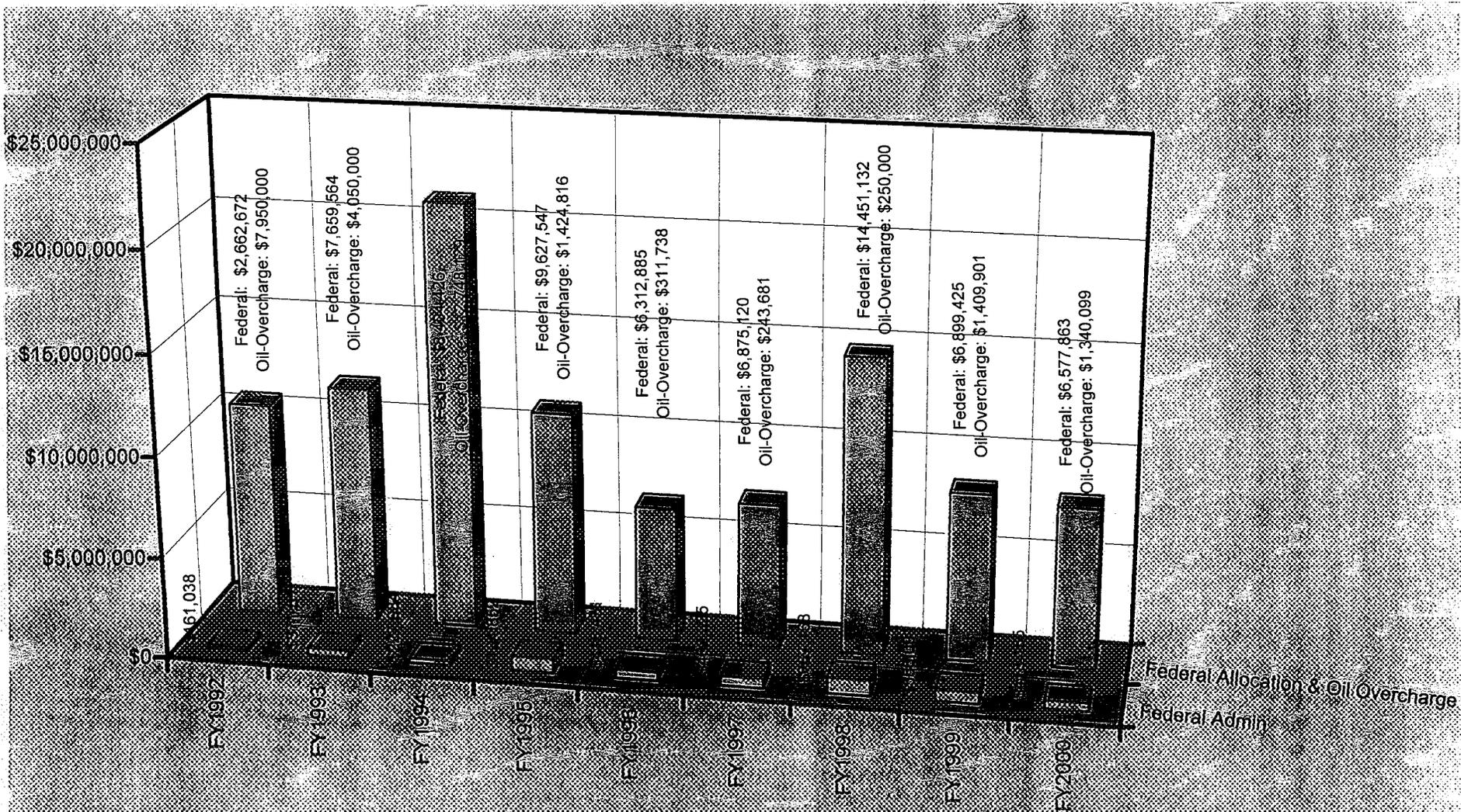
Program (Source)	The Weatherization Assistance Program for Low Income Persons (WAP) <i>U.S. Department of Energy (DOE) Weatherization for Low Income Persons Program; U.S. Department of Health and Human Services (HHS) Low Income Energy Assistance Program. (Program follows parameters set by DOE.)</i>
Purpose	To increase energy efficiency and reduce energy cost burdens in the residences of low-income people through energy conservation measures. The program focuses especially on households with elderly residents, people with disabilities, and families with young children.
When Program Started	The program started in 1976 with the passage of the Energy Conservation in Existing Buildings Act of 1976. In 1993, the Texas Legislature transferred the WAP from the Texas Department of Human Services to TDHCA.
Major Programmatic Changes in the Program Due to a Shift in Federal Funds	<ul style="list-style-type: none"> • In 1995, the formula used to distribute the weatherization allocation was changed to provide a more equitable distribution of DOE funds among all states. That year, TDHCA received the second largest percent increase of funds from DOE, \$5.26 million. The following year, in 1996, Congress effectively cut weatherization funding by 50%, which reduced the Texas allocation to \$2,728,872. This reduction forced significant reduction in subgrantee staff and contractors. • In 1999, Congress passed a cost-sharing requirement that states must meet in order to receive the DOE grant in FFY2001. If DOE awards the Department \$3,305,233 for FFY2001, the Department would have to acquire non-federal funds equivalent to 33.3% of the grant award, or \$1,100,643, as its cost share amount. Failure to acquire these funds would jeopardize the State's ability to access the DOE funds. The Department hopes to use investor-owned utility (I.O.U.) funds currently contracted to the Department to meet the State's cost share obligation. Another potential source for cost share is the System Benefit Fund (SBF) created through Senate Bill 7, 76th Texas Legislature, relating to the deregulation of the electric utility industry. Allowable activities under the SBF include energy efficiency programs done in coordination with WAP, which could provide a source for the cost-sharing. If the SBF is not available, the Department would have to seek alternative funding.
What is Texas required to do to access funds?	Submission of a state plan and application to DOE, which includes input from the WAP Policy Advisory Council.
What are some of the barriers to obtaining additional federal funds? (include any state statutory barriers)?	This is a formula grant from the Federal government to the State. Congress determines the funding. The Department accesses all available funds.
Is there duplication of	No. DOE rules preclude multiple statewide programs providing duplicative services.

**Texas Department of Housing and Community Affairs
Weatherization Assistance Program**

services, reporting, etc.? If so, with what agencies?	
Is the program useful? (i.e., does it fit the need of Texas?)	Yes. The program lowers the energy cost burden for households served. Studies have shown that low-income households will often forgo food and medicine in order to meet utility bills. By reducing their energy cost burden, the program helps recipients meet other basic necessities. In 1999, the program served 5,493 households.
How will the agency adjust to a total withdrawal of federal funds?	Most of the funding for this program comes from the federal government. Withdrawal of federal funding will end this program.
How will the agency adjust to a partial decline in federal dollars?	Funding cuts during the past 10 years have caused reductions in the number of households served and reduction of full-time employees within the Energy Assistance Section.
Any suggestions?	<ul style="list-style-type: none"> • The Department could explore alternate funding sources and the increased leveraging of other resources.

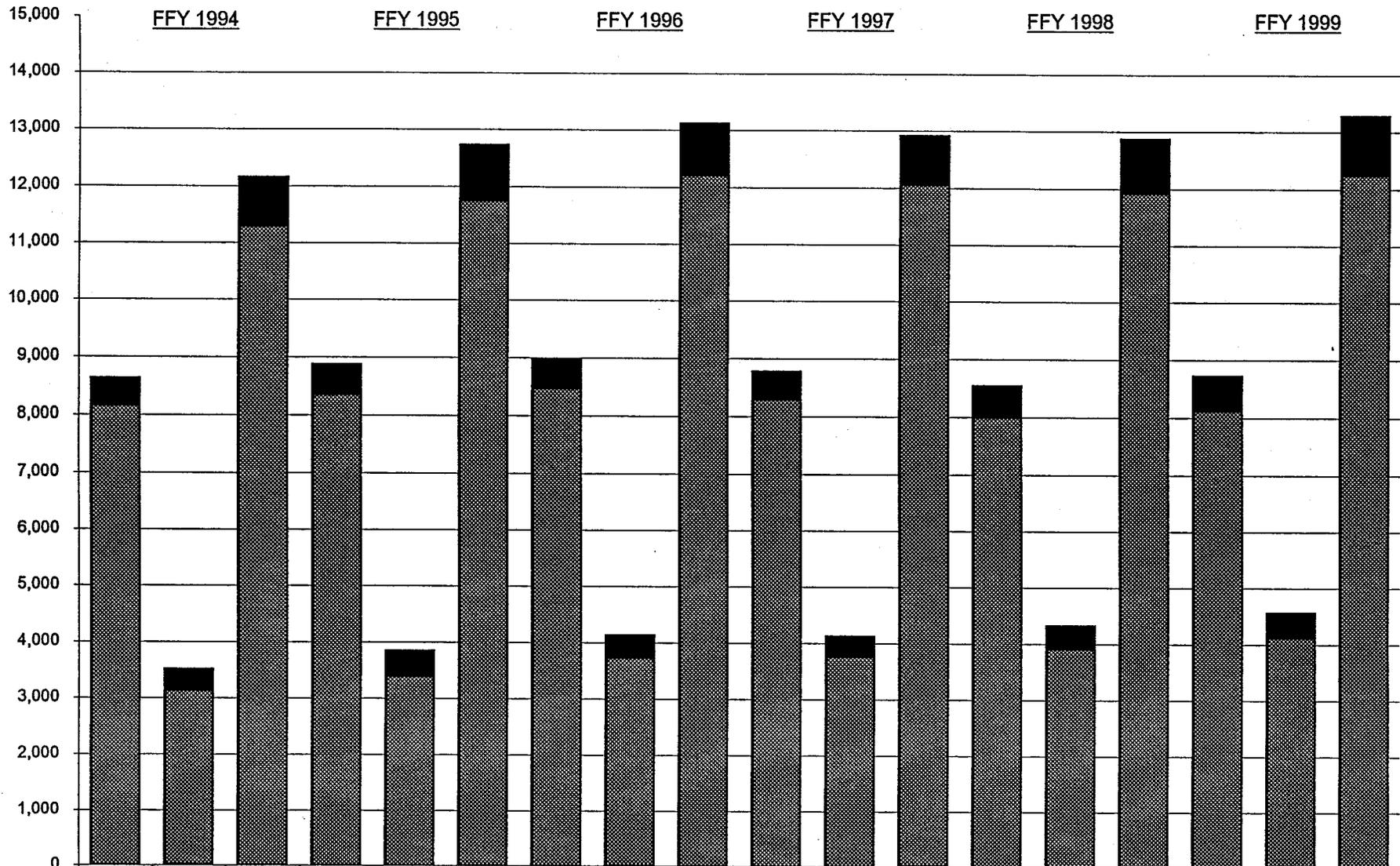
Weatherization Assistance Programs*

Federal Allocation, Oil-Overcharge and Administration Funds FY 1992 - FY 2000



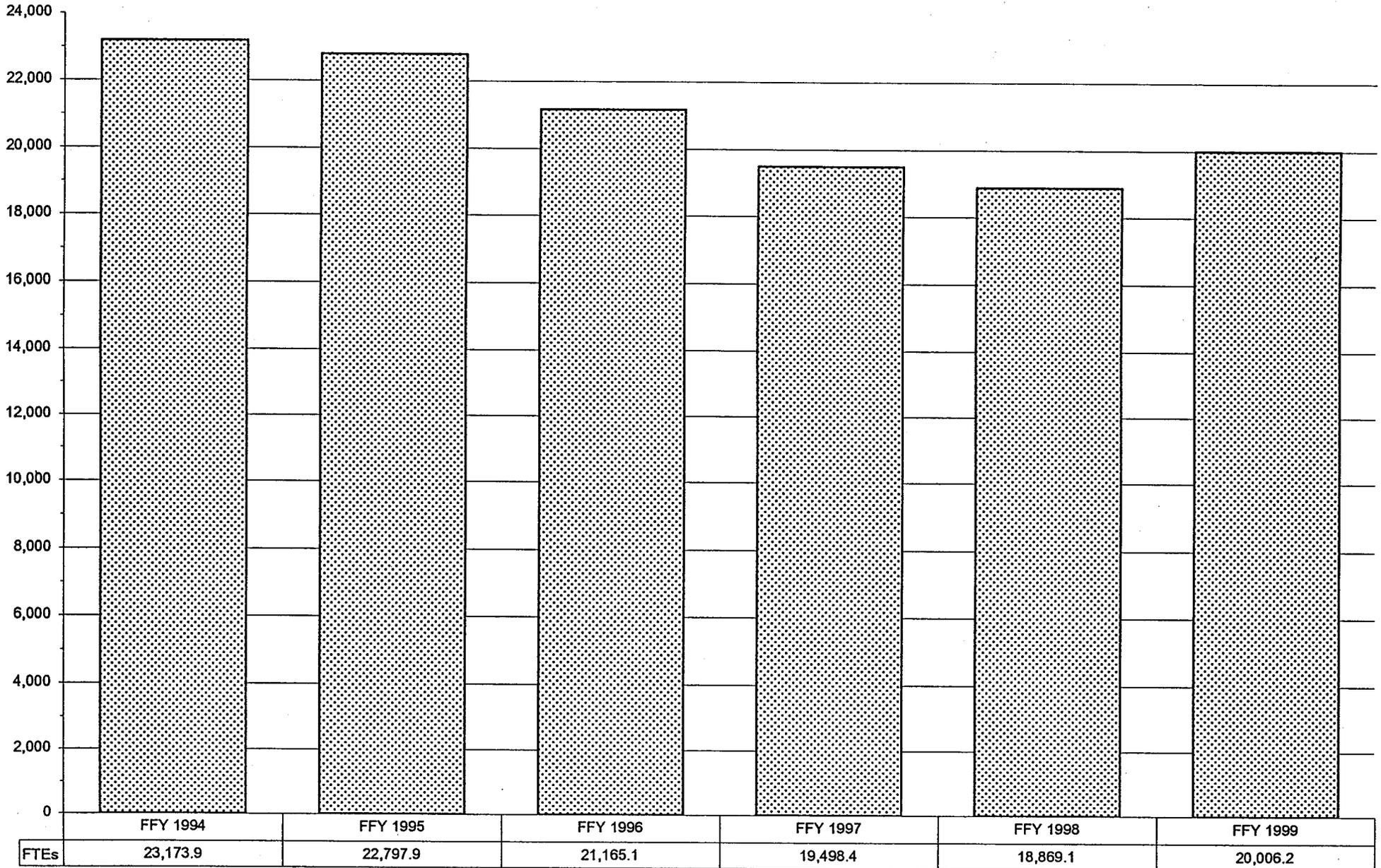
*Includes the Weatherization Assistance Program and energy efficiency programs funded through oil overcharge funds.

Major HHS Funding Sources in Texas
(In Millions)



	FFY 1994			FFY 1995			FFY 1996			FFY 1997			FFY 1998			FFY 1999		
	Federal	State/ Local	Total															
Total	8,633	3,513	12,146	8,877	3,847	12,723	8,987	4,134	13,121	8,779	4,132	12,910	8,546	4,324	12,870	8,722	4,563	13,285
■ Service Delivery/Admin	474	382	856	527	454	981	516	400	916	484	377	860	548	410	958	604	442	1,046
▨ Client Services	8,159	3,131	11,290	8,350	3,393	11,742	8,471	3,734	12,205	8,295	3,755	12,050	7,998	3,914	11,912	8,118	4,121	12,239

HHS Major Funding Stream FTEs in Texas



Major HHS Funding Sources in Texas

